

REMARKS

This responds to the Office Action mailed on July 6, 2007.

No claims are amended, no claims are canceled, and no claims are added; as a result, claims 1-28 remain pending in this application.

Declaration and Power of Attorney

A new oath or declaration in compliance with 37 C.F.R. 1.67(a) was requested because the declaration on file was alleged to be defective for the reason that the citizenship of inventor Steve Grove is not identified.

In response to the above request, a Declaration in compliance with 37 C.F.R. 1.67(a) is submitted herewith.

§102 Rejection of the Claims - Xie

Claims 1, 3-4, 7-8, 10-11, 14-15, 17-18, 21-22, 24-25 and 28 were rejected under 35 U.S.C. § 102(e) for anticipation by Xie et al. (U.S. 7,006,987), hereinafter Xie.

Applicants respectfully submit that the rejection of the claims 1, 3-4, 7-8, 10-11, 14-15, 17-18, 21-22, 24-25 and 28 under 35 U.S.C. § 102(e) is defective for the reason that Xie does not disclose each and every limitation of the independent claims of the present application.

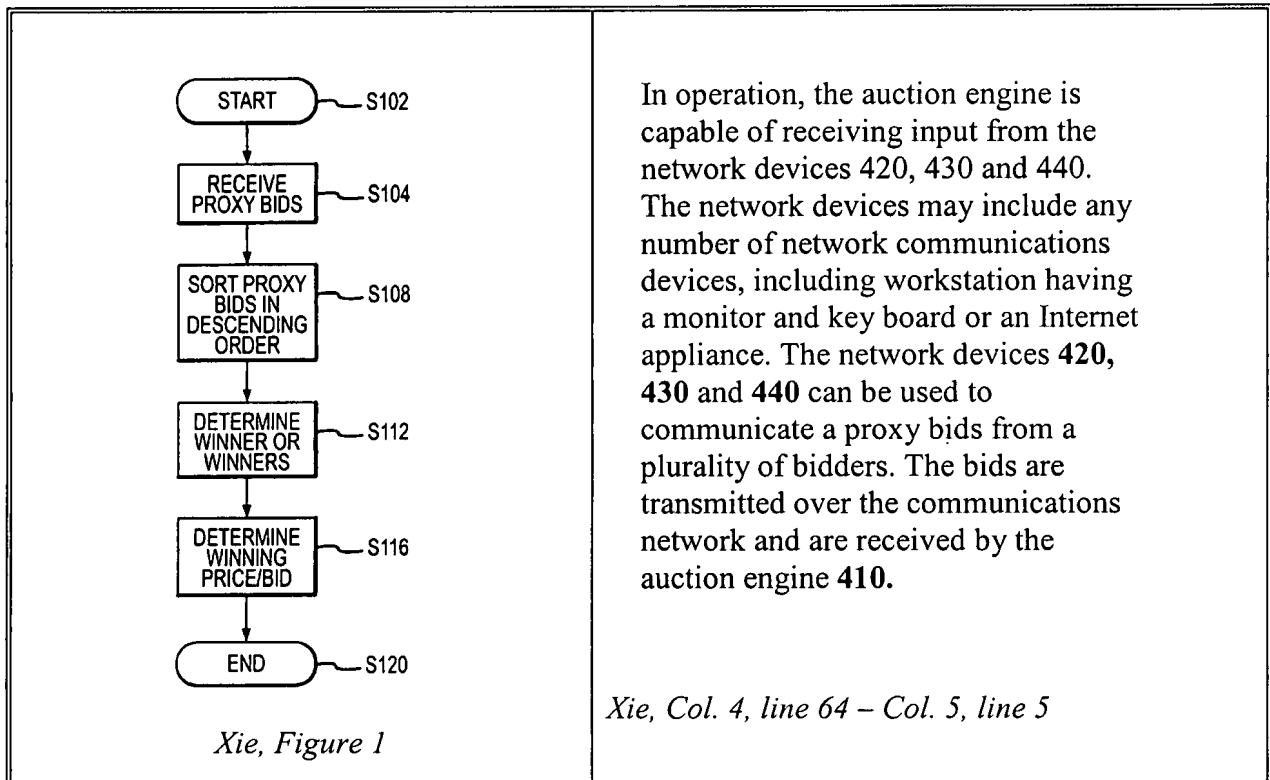
"A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference."

Verdegaal Bros. v. Union Oil Co. of California, 814 F.2d 628, 631, USPQ2d 1051, 1053 (Fed. Cir. 1987)

Applicants believe that the issue of patentability over Xie is best understood with regard to claim 1 which includes the following limitations:

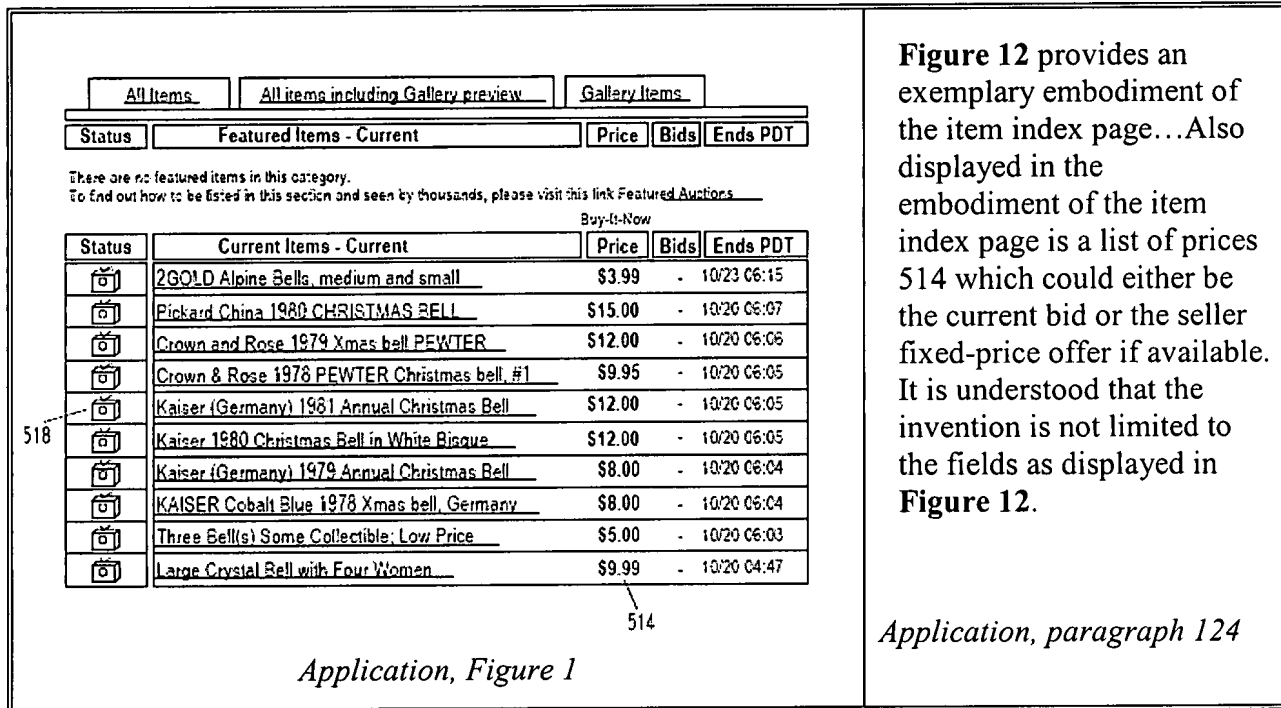
a fixed price-setting process ...to facilitate the operation of a network-based auction price setting processto provide a fixed price offer for the item

In anticipation of the above limitation, the Office Action highlights the following in Xie:



The above from Xie relates to an auction engine. The auction engine receives input from network devices. The input includes proxy bids. A proxy bid is a bid that doesn't have a bid price (Col. 1, line 39-43), instead the proxy bid is an indicator of the upper limit the bidder is willing to offer (*Id.*). Thus, as the bids ascend from a base price, a bidder submitting a proxy bid will win the auction if no one has bid higher than his or her proxy bid (*Id.*).

Claim 1 requires a fixed price-setting process to facilitate the operation of a network-based auction price setting process to provide a fixed price offer for an item. Merely for example, the present application presents an embodiment of some of the limitations of claim 1 as follows:



The above provides an embodiment of an item index page. The example item index page includes a list of example items respectively associated with a list of example prices 514 as described above.

In contrast to the quoted limitations of claim 1, Xie relates to proxy bids. A proxy bid is not a fixed price offer for an item. Specifically, a proxy bid is an indicator of the upper limit a bidder is willing to offer whereas claim 1 requires a network-based auction price setting process to provide a fixed price offer for an item. Accordingly, Xie cannot be said to anticipate the limitations of claim 1.

The above remarks are also applicable to a consideration of independent claims 8, 15, and 22.

As dependent claims are deemed to include all limitation of claims from which they depend, the rejection of claims 3-4, 7, 10-11, 14, 17-18, 21, 24-25 and 28 under 35 U.S.C. § 102(e) is also addressed by the above remarks, and the amendments contained herein.

§102 Rejection of the Claims – Fisher

Claims 1-2, 7-9, 14-16, 21-23 and 28 were rejected under 35 U.S.C. 102(b) for anticipation by Fisher et al. (U.S. 6,243,691), hereinafter Fisher.

Applicants respectfully submit that the rejection of the claims 1-2, 7-9, 14-16, 21-23 and 28 under 35 U.S.C. § 102(b) is defective for the reason that Fisher does not disclose each and every limitation of the independent claims of the present application.

Applicants believe that the issue of patentability over Fisher is best understood with regard to the above quoted limitations of claim 1.

The Office Action highlights a "List Price" in Figure 1 in Fisher (Office Action, page 4, second paragraph) in anticipation of the quoted limitations of claim 1. Fisher relates the following:

<p><i>Fisher, Figure 1</i></p>	<p>Potential customers are presented at screen 280 with merchandise catalog pages, such as the one shown in FIG. 2, generated by merchandise catalog page generator 25 shown in FIG. 4. Each merchandise catalog page includes several action buttons 5 that allow the customer to move from catalog page to catalog page and to place bids using keyboard 240 and pointing device 260. The user may call up an index of available merchandise by pressing button 7 or may return to a central home page by 10 pressing button 9. By pressing bid button 1 in FIG. 2, the customer is presented with a bid form such as the one shown in FIG. 3. The customer fills out the required information in the bid form and presses "Place Bid" button 2 to send the bid to the 15 electronic auction system for processing.</p> <p><i>Fisher, Col. 4, line 64 – Col. 5, line 5</i></p>
--------------------------------	--

The above from Fisher relates to a merchandise catalog page. The merchandise catalog page includes information for an auction and action buttons. The information for the auction includes a "List Price." For example, the above merchandise catalog page includes information for an auction in the form of a "List Price" of "\$129.95" for a "Cordless 10-Channel Phone Model 5400." The action buttons include a bid button. The bid button may be selected by a customer to enter a bid for the phone.

Applicants believe that the issue of patentability over Fisher is again best understood with regard to claim 1 as quoted above.

Claim 1 requires a fixed price-setting process to facilitate the operation of a network-based auction price setting process to provide a fixed price offer for an item. In contrast to the quoted limitations of claim 1, Fisher relates to a merchandise catalog page that includes information in the form of a "List Price." Apparently, the "List Price" serves the purpose of helping a bidder to select a bid for merchandise that is up for bid in an auction. Nevertheless, a catalog page that contains a "List Price" that facilitates the selection of a bid is not the same as a network-based auction price setting process that provides a fixed price offer for an item. Accordingly, Fisher cannot be said to anticipate the limitations of claim 1 because Fisher relates to a merchandise catalog page that includes information that may be used to facilitate the selection of a bid for an auction and claim 1 requires a network-based auction price setting process to provide a fixed price offer for an item.

The above remarks are also applicable to a consideration of independent claims 8, 15, and 22.

As dependent claims are deemed to include all limitation of claims from which they depend, the rejection of claims 2, 7, 9, 14, 16, 21, 23 and 28 under 35 U.S.C. § 102(b) is also addressed by the above remarks, and the amendments contained herein.

In summary, neither Xie or Fisher disclose each and every limitation of claim 1, as required to support a rejection of this claim under 35 U.S.C. § 102.

§103 Rejection of the Claims

Claims 5-6, 12-13, 19-20, and 26-27 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Xie in view of Fisher.

Applicants respectfully submit that claims 5-6, 12-13, 19-20, and 26-27 should not be rejected under 35 U.S.C. § 103 for the reason that prior art references when combined do not teach or suggest all of the claim limitations of the independent claims of the present application.

Applicable Law.

In rejecting claims under 35 U.S.C. §103, the Examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness. See M.P.E.P. §2142.

In the recent decision of the Supreme Court on *KSR Int'l Co. v. Teleflex Inc.*¹, the analysis of obviousness previously set forth in *Graham v. John Deere Co. of Kansas City*², was reaffirmed. The Court in *Graham* set out an objective analysis for applying §103 as follows:

“Under §103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background the obviousness or nonobviousness of the subject matter is determined.”³

When claim elements are found in more than one prior art reference, the fact finder must determine “whether a person of ordinary skill in the art, possessed with the understandings and knowledge reflected in the prior art, and motivated by the general problem facing the inventor, would have been led to make the combination recited in the claims.” *In re Kahn*⁴. In so doing, the Examiner must make the factual determinations set forth in *Graham v. John Deere Co. of Kansas City*⁵.

¹ 127 S.Ct. 1727, 82 USPQ.2d 1385 (2007).

² 383 U.S. 1, 17, 86 S.Ct. 684, 15 L.Ed.2d 545 (1966).

³ The Court in *KSR v. Teleflex*, at page 1730, quoted the analysis of *Graham* from page 18.

⁴ 441 F.3d 977, 988, 78 USPQ2d 1329, 1337 (Fed. Cir. 2006).

⁵ 383 U.S. 1 at 467.

Further, to establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*⁶. "All words in a claim must be considered in judging the patentability of that claim against the prior art." *In re Wilson*⁷. Office personnel must rely on the applicant's disclosure to properly determine the meaning of the claims. *Markman v. Westview Instruments*⁸.

Claims 5-6, 12-13, 19-20, and 26-27 depend on independent claims 1, 8, 15 and 22 respectively. If an independent claim is not anticipated under 35 U.S.C. § 102 then, any claim depending therefrom is nonobvious and rejection of claims 5-6, 12-13, 19-20, and 26-27 under 35 U.S.C. § 103 is also addressed by the above remarks.

In summary, Xie in combination with Fisher does not teach or suggest each and every limitation of claim 1 as required to support rejections of the independent claims of the present application under 35 U.S.C. § 103.

⁶ 490 F.2d 981, 180 USPQ 580 (CCPA 1974).

⁷ 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).

⁸ 52 F.3d 967, 980, 34 USPQ2d 1321, 1330 (Fed. Cir.) (*en banc*), *aff'd*, U.S., 116 S. Ct. 1384 (1996).

RESERVATION OF RIGHTS

In the interest of clarity and brevity, Applicants may not have addressed every assertion made in the Office Action. Applicants' silence regarding any such assertion does not constitute any admission or acquiescence. Applicants reserve all rights not exercised in connection with this response, such as the right to challenge or rebut any tacit or explicit characterization of any reference or of any of the present claims, the right to challenge or rebut any asserted factual or legal basis of any of the rejections, the right to swear behind any cited reference such as provided under 37 C.F.R. § 1.131 or otherwise, or the right to assert co-ownership of any cited reference. Applicants do not admit that any of the cited references or any other references of record are relevant to the present claims, or that they constitute prior art. To the extent that any rejection or assertion is based upon the Examiner's personal knowledge, rather than any objective evidence of record as manifested by a cited prior art reference, Applicants timely object to such reliance on Official Notice, and reserves all rights to request that the Examiner provide a reference or affidavit in support of such assertion, as required by MPEP § 2144.03. Applicants reserve all rights to pursue any cancelled claims in a subsequent patent application claiming the benefit of priority of the present patent application, and to request rejoinder of any withdrawn claim, as required by MPEP § 821.04.

CONCLUSION

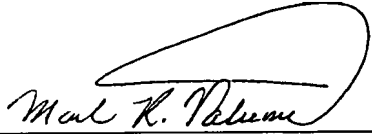
Applicants respectfully submit that the claims are in condition for allowance, and notification to that effect is earnestly requested. The Examiner is invited to telephone Applicants' attorney at 408-278-4046 to facilitate prosecution of this application.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,

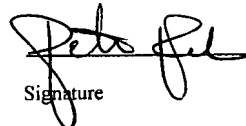
SCHWEGMAN, LUNDBERG & WOESSNER, P.A.
P.O. Box 2938
Minneapolis, MN 55402
408-278-4046

Date October 10, 2007

By / 
Mark R. Vatuone
Reg. No. 53, 719

CERTIFICATE UNDER 37 CFR 1.8: The undersigned hereby certifies that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail, in an envelope addressed to: Mail Stop Amendment, Commissioner of Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on this 11 day of October 2007.

Peter Rubutoni
Name


Signature